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DEPARTMENT OF LABOR & ECONOMIC GROWTH
LANSING

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Analysis of Enrolled House Bill 5316

Topic: Dissolution of a Corporation by agreement
Sponsor: Representative Wenke
Co-Sponsors: Representatives Huizenga, Vander Veen, Baxter, Taub, Tobocman
Committee: House Commerce
Senate Economic Development, Small Business & Regulatory Reform
Date Introduced: October 18, 2005
Date Enrolled: March 2, 2006
Date of Analysis: Revised on March 3, 2006

Position: The Department of Labor & Economic Growth supports the bill.

Problem/Background:

The section refers to section 463(1), MCL 450.1463(1). Section 463 was repealed by 1997 PA 118, effective October 24, 1997.

Description of Bill:

Changes the reference to shareholder agreement authorized by section 488 instead to referring to the repealed section 463.

Arguments For:

This bill corrects an error in the act and adds reference to the appropriate section.

Arguments Against:

Supporters:

Business Law Section of the State Bar of Michigan

Opponents:

The only opposition to any of the bills in this package was to House Bill 5322. The Department of Labor & Economic Growth opposed House Bill 5322, because the problem that the bill was designed to solve had already been addressed in the expedited fee bills.

Other Pertinent Information:

This bill is part of a package of bills (House Bills 5315-23) developed by the Business Law Section of the State Bar of Michigan as part of a regular review of Michigan's corporation laws. These reviews occur roughly at four-year intervals. The only opposition to any of the bills in this package was to House Bill 5322.

Administrative Rules Impact:

The bill will have no impact on administrative rules.

Fiscal Impact:

The bill will have no fiscal impact.